

APPROVED MINUTES
Idaho Soil Conservation Commission
2270 Old Penitentiary Road
Boise, Idaho

The Idaho Soil Conservation Commission (ISCC) held a special telephone conference call on February 11, 2005 from around the state, originating from the Commission office in Boise. Attendance was as follows:

Members: J. Morgan Evans, Vice-Chairman
Gary Grindstaff - Secretary
Tom Johnston, Member

Members not Present: Bill Whittom, Chairman
Jerry Reid, Member

Others: Jerry Nicolescu, ISCC
Christy Mastin, ISCC
Brenda Thomasson, ISCC

Welcome/Announcements

Vice-Chairman Evans called the meeting to order at 10:35 a.m. and welcomed all to the meeting. Thomasson announced that Whittom was in the hospital having some tests and would not be able to join the call. Nicolescu announced that Russ Knight, USBWP coordinator is a new father as of yesterday. He also announced that the supplemental appropriation bill was signed by the Governor on Monday, February 7, 2005. Staff will order the software as soon as the purchasing process is completed by Jan Bodine, ISDA purchasing officer.

Nez Perce District

Nicolescu stated that he continues to work on issues in the NezPerce area and that he has spoken multiple times with Preston Kinne and John Hermann to resolve the concerns. There will still be two resignations coming. Todd Wittman and Kyle Wilson have been removed from positions of authority. John Hermann has requested specific information from each board member before decisions are made. Everything must go through Mr. Hermann and Mr. Kinne before it is even brought to the Board. Robert Blair has not been attending meetings. Wilson continues to push the issues and he has been counseled by Kyle Hawley and Preston Kinne on his behavior. It appears that the District is making positive changes and is moving forward in the right direction.

Budget Presentation

Nicolescu stated that the budget presentation was almost complete and that Thomasson would forward a copy of the power point presentation to all members so that they can see what would be presented on Monday, February 14, 2005. Nicolescu expects the process to go smoothly and stated that he does not anticipate any difficulties or concerns from the Joint Finance and Appropriation Committee.

RCRDP Loan Application(s) Reviews

Robert & Linda Shaffer

Mastin presented loan request of Robert and Linda Shaffer. The loan request is for \$8,600 for five years at three percent interest. Mr. Shafer is working on updating and conserving water on his property. Of this loan, \$3,000 will be used for delivery pipeline and the remaining \$5,600 is to refinance loan number A-272, which was a loan to his mother, the previous owner of the property, to upgrade concrete ditches and pipeline. Johnston moved to approve with the conditions recommended by Mastin. Grindstaff seconded and the motion carried. Specifics of the application are recorded below:

Signing Parties: Robert and Linda Shaffer		
Loan Amount: \$8,600	Term: 5 Years	Rate: 3%
Conditions: <ul style="list-style-type: none">· ISCC to secure 1st lien on 76 acres· Assignment of water rights		
Disposition: Approved		

Robert & Molly Konen

Mastin presented the loan request of Robert and Molly Konen. The request was for \$22,000 to purchase a no-till drill. Mastin expressed concern about the Konen's high debt payments and high debt-to-asset ratio. Grindstaff moved that we follow the loan officer's recommendation and deny the loan. Johnston second. Motion carried. Details of the loan application as noted below:

Signing Parties: Robert and Molly Konen		
Loan Amount: \$22,000	Term: 7 Years	Rate: 4%

Recommendations:	<ul style="list-style-type: none"> · Deny loan based on high debt payments and debt-to-asset ratio. · Recent purchases of equipment, 2 combines, various vehicles are a concern · Lack of cash flow to support equipment purchases is also a concern · CBR score is acceptable, but loan balances and number of loans is significant
Disposition:	Denied

Douglas and Susan Ashburn

Mastin presented the Ashburn application, noting there are some strengths and weaknesses. The request is for a drill. There is a lot of debt, largely because of trying to recover from a barn fire in 2000. In talking with Ashburn's credit officer, Mastin felt more comfortable in extending credit. Mastin's concern is that even on a seven-year term, the debt to income ration would be 83%. Ashburn is very aware of his debt load, which Mastin stated was unusual. Johnston thanked Mastin for her efforts and voiced is concerns on the debt-to-asset ratio. Johnston moved to deny the request. Grindstaff second. Motion carried.

Gary and Karen Kohring

Mastin presented the request of Gary and Karen Kohring for \$75,500 on a 15-year term at 5% interest to replace wheel lines with a center pivot and install a variable speed drive. Johnston moved to approve the loan request under the conditions recommended by the loan officer. Grindsatff seconded. Motion carried. Conditions are as follows:

Signing Parties:	Gary and Karen Kohring		
Loan Amount:	\$75,500	Term:	15 year
		Rate:	5%
Conditions:	<ul style="list-style-type: none"> · ISCC to be secured by insured 2nd-position R/E mortgage on 160 acres · Value of R/E to be established by an acceptable evaluation source · ISCC to secure lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan · Assignment of water rights 		
Disposition:	Approved with fifteen-year term		

Kirk and Laurretta Vickery

The final loan presented was the application of Kirk and Laurretta Vickery who requested \$33,000 on a five year term at 3% interest to install a sediment basin and

surge irrigation system. Vickery will be receiving EQIP funding. Mastin recommended financing the portion not covered under cost-share from EQIP funding, because of the debt to income ratios. Grindstaff moved to approve under the conditions of the recommendations. Johnston seconded. Motion carried. Details of the loan as recorded below:

Signing Parties: Kirk and Laurretta Vickery		
Loan Amount: \$16,900	Term: 7 Years	Rate: 4%
Conditions: <ul style="list-style-type: none"> · ISCC to secure 1st lien on surge irrigation system (UCC-1) · Secured system to be insured for life of loan · Need landlord waiver as project is on rented property 		
Disposition: Approved		

Servicing Actions

Ellen Jean Smith – Correction of collateral. Loan was approved at January meeting with a second mortgage on 80 acres. Ms. Smith has requested that 75 acres of crop ground is a separate parcel and has no liens. She would like us to take the 75 acres and leave the house and five acres off our mortgage. The old loan was for 80 acres for a loan to value of 22.36% which did not include the pivot value. The new loan would be for 75 acres valued at \$1500 per acre for a total value of \$182,500 which does include the pivot and a new loan to value rate of 23.28%. Johnston moved to accept the request. Grindstaff seconded and the motion carried.

Mastin asked that the members include a few more acceptable guidelines for approving loans. Right now, loan to value, credit score, and debt to income ratio are all that are included. Mastin will work on developing some more criteria on which to evaluate loans and will present those suggestions during the March meeting.

Johnston asked about the audit findings. Mastin and Thomasson explained what has been discovered so far and stated that this will be discussed in more detail during the March meeting. Evans asked if all the old loans would be converted to the new system. Nicolescu explained what we were trying to do and that the new software would make this easier. There is money available in the loan fund of up to \$10,000 for attorneys' fees. Nicolescu will request a one-time exemption to this funding to utilize it to convert the loan program to the new system.

Nicolescu stated that all the new water quality projects approved in November now have signed contracts. Mastin has also spent a lot of time traveling, meeting with Districts and Divisions and getting to know people and promote the loan program. Evans requested information on the time for the Division IV spring meeting. Nicolescu will send that information.

Carolyn Firth has been hired as the new Water Quality Resource Conservationist in Burley. She comes to us from the IASCD. Also the employment of Guy Hopkins, IASCD employee in Cascade was terminated as of February 3, 2005. Kathy Sodhi, the shared PIO has resigned her position. Her last day will be February 22, 2005.

Nicolescu told the Members that Pat Takasugi has asked for an hour at the March Commission meeting to clarify the relationship between the Commission and the IASCD. Nicolescu has had several successful meeting with Takasugi to start moving this process forward.

A collection will be held during the March meeting to pay tribute to Kathy Weaver's father to donate either to the Roberts Community Church or to the Aspen Care Center. Thomasson reminded all of the District Legislative Displays on February 22 and 23rd.

With no further business to report, Evans adjourned the meeting @11:30 a.m.

Respectfully submitted by Brenda Thomasson, Management Assistant